

ORIGINAL

**UNS Gas, Inc.**

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Melissa Morales  
Regulatory Coordinator

April 1, 2015

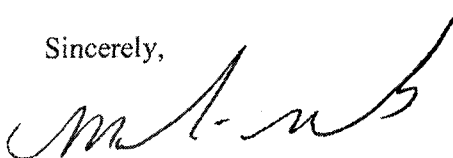
Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Re: Notice of Filing -- UNS Gas, Inc. Annual Demand-Side Management ("DSM") Progress Report, Docket No. G-00000G-15-0090

The Gas Energy Efficiency Standards set forth in the Arizona Administrative Code, Section R14-2-2509.A, require UNS Gas, Inc. ("UNS Gas") to submit an annual DSM Progress Report ("Report") for each of its Commission-approved DSM programs by April 1<sup>st</sup>. UNS Gas hereby files its Report for 2014. The TEP and UES Demand Side Management PY2014 Q1-Q4 Measurement, Evaluation and Research Report listed in Appendix 1 of the Report contains confidential and competitively sensitive information and is being provided directly to Commission Staff.

If you have any questions, please feel free to contact me at (520) 884-3680.

Sincerely,



Melissa Morales  
Regulatory Services

cc: Barbara Keene, Utilities Division, ACC  
Compliance Section, ACC



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**UNS Gas, Inc.**  
**ANNUAL DSM PROGRESS REPORT FOR THE PERIOD:**  
**January 2014 through December 2014**

UNS Gas, Inc. (“**UNS Gas**” or “**Company**”), in accordance with Arizona Corporation Commission (“**Commission**”) Decision No. 73939 (June 27, 2013), and Arizona Administrative Code R14-2-2509, submits the following Demand-Side Management (“**DSM**”) progress report. This report includes information for all DSM and Renewable Energy Technology (“**RET**”) programs, including programs for residential, non-residential, and low-income customers. This report includes the following:

1. An analysis of the Company’s progress toward meeting the annual energy efficiency standard;
2. A list of Commission approved DSM and RET programs, organized by customer segment;
3. A description of the findings from completed research projects completed during the previous year;
4. Information on the DSM and RET programs which includes:
  - a. A description of the programs;
  - b. Program goals, objectives, and savings targets;
  - c. Levels of customer participation in the programs during the previous year;
  - d. Costs incurred during the reporting period;
  - e. Description of evaluation and monitoring activities and results;
  - f. kW, kWh, therm savings, and therm equivalents from the programs;
  - g. Environmental benefits from the programs;
  - h. Incremental and net benefits, in dollars, of the programs;
  - i. Performance-incentive calculations for the previous year;
  - j. Problems encountered and proposed solutions;
  - k. Proposed program modifications; and
  - l. Termination of programs or measures.

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**DEFINITIONS**

**“Rebates & Incentives”** – costs for customer rebates, incentives, and payments made to agencies for installation of low-income weatherization (“LIW”) measures.

**“Training and Technical Assistance”** – costs for energy efficiency training and technical assistance; for either utility employees or contractors.

**“Consumer Education”** – costs to support general consumer education about energy efficiency improvements.

**“Program Implementation”** – costs associated with implementing programs, including implementation contractor (“IC”) labor and overhead costs, as well as other direct program delivery costs.

**“Program Marketing”** – costs related to marketing programs and increasing DSM consumer awareness (direct program marketing costs as opposed to general consumer education).

**“Planning and Administration”** – costs to plan, develop, and administer programs including management of program budgets, oversight of the request for proposal (“RFP”) process, oversight of ICs, program development, program coordination, and general overhead expenses.

**Measurement, Evaluation, and Research (“MER”)** – identification of current baseline efficiency levels and the market potential of DSM measures; process evaluations; verification of installed energy efficient measures; tracking of savings; and identification of additional energy efficiency research.

**“Program Development, Analysis, and Reporting”** – costs to research and develop new DSM program opportunities, provide analysis of new programs and measures, and administer a database to track and report participation, savings, and benefits. These costs are essential to comply with reporting and rules requirements.

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**Table 1**

**DSM PROGRAM EXPENSES: JANUARY - DECEMBER 2014**

DSM Program	Rebates & Incentives	Training & Technical Assistance	Consumer Education	Program Implementation	Program Marketing	Planning & Admin	Measurement, Evaluation & Research	Program Total Cost
<b>Residential Programs</b>								
Low-Income Weatherization	\$139,970	\$1,205	\$0	\$18,076	\$1,702	\$20,340	\$7,402	\$188,694
Residential New Construction	\$10,400	\$18	\$1,345	\$26,973	\$20	\$5,368	\$5,673	\$49,797
Existing Home Program	\$5,338	\$4	\$0	\$2,764	\$0	\$1,049	\$581	\$9,736
<b>Total for Residential Programs</b>	<b>\$155,707</b>	<b>\$1,228</b>	<b>\$1,345</b>	<b>\$47,813</b>	<b>\$1,722</b>	<b>\$26,757</b>	<b>\$13,656</b>	<b>\$248,227</b>
<b>Commercial Programs</b>								
C&I Facilities Gas Efficiency	\$32,500	\$79	\$129	\$21,141	\$100	\$7,425	\$7,511	\$68,884
<b>Total for Commercial Programs</b>	<b>\$32,500</b>	<b>\$79</b>	<b>\$129</b>	<b>\$21,141</b>	<b>\$100</b>	<b>\$7,425</b>	<b>\$7,511</b>	<b>\$68,884</b>
<b>Portfolio Totals</b>	<b>\$188,207</b>	<b>\$1,306</b>	<b>\$1,474</b>	<b>\$68,954</b>	<b>\$1,822</b>	<b>\$34,182</b>	<b>\$21,167</b>	<b>\$317,111</b>
<b>Program Costs</b>								<b>\$317,111</b>
<b>Program Development, Analysis, &amp; Reporting Software</b>								<b>\$11,929</b>
<b>TOTAL</b>								<b>\$329,040</b>

**Table 2**

**DSM ENERGY SAVINGS: JANUARY – DECEMBER 2014<sup>1</sup>**

DSM Program	Capacity Savings MW	Annual MWh Savings	Annual Therm Savings	Lifetime MWh Savings	Lifetime Therm Savings
Low-Income Weatherization	0.07	141	7,508	2,462	47,355
Residential New Construction	0.00	0.0	31,136	0	934,069
Existing Home Program	0.00	0.0	1,643	0	21,576
C&I Facilities Gas Efficiency	0.00	0.0	29,476	0	589,528
EE Building Codes & Appliance Standards	NA	NA	10,333	0	10,333
<b>Portfolio Totals</b>	<b>0.07</b>	<b>141</b>	<b>80,096</b>	<b>2,462</b>	<b>1,602,861</b>

**Table 3**

**CUMULATIVE DSM SAVINGS: JANUARY – DECEMBER 2014**

UNSG Year	Retail Energy Sales (Therms)	Incremental Annual Energy Savings (Therms)	Cumulative Annual Energy Savings (Therms)	Cumulative Annual Savings as a % of previous year Retail Sales	Cumulative EE Standard
2010	140,222,684				
2011	139,990,801	281,203	281,203	0.20%	0.50%
2012	135,765,533	212,420	493,623	0.35%	1.20%
2013	142,678,808	129,437	623,059	0.46%	1.80%
2014	124,030,215	80,096	703,156	0.49%	2.40%

<sup>1</sup> Annual therm savings for Low-income Weatherization reflect the addition of available credit for therm equivalents per A.A.C. R14-2-2501.39 and R14-2-2504.A. UNS Gas is including an energy savings credit toward the Standard for changes in energy efficient building codes per A.A.C. R14-2-2504 (E).

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**Table 4**

**DSM SOCIETAL BENEFITS: JANUARY – DECEMBER 2014**

<b>DSM Program</b>	<b>Societal Benefits</b>	<b>Societal Costs</b>	<b>Net Benefits</b>
Low-Income Weatherization	\$177,276	\$169,448	\$7,828
Residential New Construction	\$430,167	\$176,487	\$253,680
Existing Home Program	\$12,226	\$15,797	(\$3,571)
C&I Facilities Gas Efficiency	\$276,609	\$63,449	\$213,160
<b>Portfolio Totals</b>	<b>\$896,278</b>	<b>\$425,181</b>	<b>\$471,097</b>

**Table 5**

**DSM LIFETIME ENVIRONMENTAL SAVINGS: JANUARY – DECEMBER 2014**

<b>DSM Program</b>	<b>Lifetime SO<sub>x</sub> Reduction (lbs)</b>	<b>Lifetime NO<sub>x</sub> Reduction (lbs)</b>	<b>Lifetime CO<sub>2</sub> Reduction (lbs)</b>	<b>Lifetime Water Reduction (gallons)</b>
Low-Income Weatherization	1,921	6,205	2,816,819	573,741
Residential New Construction	0	0	11,022,017	0
Existing Home Program	0	0	254,592	0
C&I Facilities Gas Efficiency	0	0	6,956,430	0
<b>Portfolio Totals</b>	<b>1,921</b>	<b>6,205</b>	<b>21,049,857</b>	<b>573,741</b>

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**1. An analysis of the Company's progress toward meeting the annual energy efficiency standard**

In June 2013, Commission Decision No. 73939 approved a continued budget for the UNS Gas DSM programs, but did not approve any of the new programs or Energy Efficiency ("EE") measures contained in the 2011-2012 EE Plan. UNS Gas was also ordered not to file future EE Plans until further notification from the Commission. The two year delay hindered the Company's ability to meet the Standard for 2014. Without Commission approval of new EE measures or programs in subsequent years it will continue to be impossible for the Company to meet the Standard.

**2. A list of Commission approved DSM and RET programs, organized by customer segment**

The Company currently has four (4) Commission approved DSM programs as listed below. The Existing Home Program has been discontinued. As of the date of this report, UNS Gas does not have any RET programs.

Commission Approved DSM Programs	
<b>Residential Programs</b>	
I.	Low-Income Weatherization
II.	Residential New Construction
III.	Existing Home Program
<b>Commercial Programs</b>	
IV.	C&I Facilities Gas Efficiency

**3. A description of the findings from completed research projects completed during the previous year**

UNS Gas did not have any research projects during the reporting period on which to report.

**4. Information on the DSM and RET programs**

**I. LOW-INCOME WEATHERIZATION PROGRAM**

**a. Description**

The UNS Gas Low-Income Weatherization ("LIW Program") is designed to improve the energy efficiency of homes for customers whose income falls within the defined federal poverty guidelines. The LIW Program is intended to reduce gas bills for eligible customers and to improve the comfort within their home.

**b. Program Goals and Objectives**

The objectives of the LIW Program are to:

- Increase the number of homes weatherized each year;

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- Reduce low-income customers average household utility bills through the weatherization process; and
- Improve the quality of life for the customers by providing them with a more energy efficient home.

The 2014 goal was to weatherize 113 homes.

**c. Level of Participation**

A total of 82 households received weatherization assistance during this reporting period.

**d. Costs Incurred**

Costs incurred during this reporting period are listed below:

DSM Program	Rebates & Incentives <sup>a</sup>	Training & Technical Assistance	Consumer Education	Program Implementation	Program Marketing	Planning & Admin	Measurement, Evaluation & Research	Program Total Cost
Low Income Weatherization	\$139,970	\$1,205	\$0	\$18,076	\$1,702	\$20,340	\$7,402	\$188,694

*a. Includes \$ \$14,459 for health and safety related repairs and \$12,924 for Weatherization Agencies administration expenses.*

**e. Evaluation and Monitoring Activities and Results**

The Governor's Office of Energy Policy ("GOEP") is analyzing and tracking energy use in weatherized homes statewide through billing data provided UNS Gas and other Arizona gas and electric utilities. As their database grows, a more accurate analysis of the impact of weatherization activities is emerging. The GOEP report is attached as Appendix 2.

The January 2015 GOEP report for 2014 is summarized below:

- The report includes jobs completed across Arizona on homes utilizing Arizona Public Service Company ("APS"), Tucson Electric Power Company, UNS Gas, UNS Electric, Inc. ("UNS Electric"), and Southwest Gas Corporation utility data. This analysis is ongoing, and new data will be updated on a quarterly basis.
- Savings to Investment Ratios ("SIR") are provided for a total investment of all funding spent (diagnostics, energy measures, health and safety measures) and for energy related measures only (diagnostics and energy measures).
- Present value is based on 17.5 year measure life, discount rate of 3% and a utility cost escalation rate of 3%.
- The combined SIR of all jobs reviewed to date regarding funds spent on diagnostics, energy measures, and health and safety measures was 1.0-. Health and safety represented 19% of expenditures.
- The combined SIR of all jobs reviewed to date for funds spent on energy measures and diagnostics was 1.22.
- The average saving per home reviewed was 2,270 kWh and 33 therms of natural gas (gas therms average includes all electric homes).

**f. kW, kWh, and Therm Savings**

The savings for this reporting period are listed below:



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<b>No. of Homes</b>	<b>kW savings</b>	<b>kWh savings</b>	<b>Therm savings <sup>a</sup></b>
82	68	140,709	7,508

*a. Includes 4,802 available credits for therm equivalent savings per A.A.C. R14-2-2501.39 and R14-2-2504.A.*

The kWh savings are adjusted for line losses of 10.69%.

**g. Environmental Benefits realized**

Realized environmental benefits are reflected in Table 5 above.

**h. Incremental benefits and net benefits**

Incremental benefits and net benefits are reflected in Tables 2, 3 and 4 above.

**i. Performance-incentive calculations for the previous year**

Performance-incentive calculations are reflected in Table 1 above.

**j. Problems Encountered and Proposed Solutions**

No significant problems were encountered during this reporting period.

**k. Program Modifications**

UNS Gas modified qualification criteria in 2014 because ACC Decision No. 73939, June 27, 2013 approved an increase from 150% to 200% of the federal poverty level to track with updates in LIHEAP qualifications.

**l. Programs or Measures Terminated**

No measures were terminated during this reporting period. UNS Gas does not plan to terminate this LIW Program or any LIW program measures in 2015.

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**II. RESIDENTIAL NEW CONSTRUCTION PROGRAM**

**a. Description**

The Residential New Construction Program for UNS Gas is marketed as the Energy Smart Homes program (“**ESH Program**”). The ESH Program emphasizes a whole-house approach to improving health, safety, comfort, durability and energy efficiency. The ESH Program promotes homes that meet the Environmental Protection Agency (“**EPA**”)/DOE Energy Star® Home performance requirements. To encourage participation, the ESH Program provides incentives to homebuilders for each qualifying home. To meet the Energy Star® home performance requirements, random on-site inspections and field testing must be conducted by third-party RESNET® certified energy raters selected by the builder.

The ESH Program is administered as a Joint Utility Program. In cooperation with electric service providers, the Program offers builders the option to earn incentives from both applicable utilities. To earn the Joint Utility Energy Star® Home Certification, a participating builder would first contract with either APS or UNS Electric. Certified homes can qualify for additional incentives from UNS Gas by including higher efficiency gas-fired furnaces and water heaters.

**b. Program Goals, Objectives and Savings Targets**

The objectives of the ESH Program are to:

- Work with local builders to construct energy efficient homes;
- Educate consumers on the benefits of Energy Star® Homes;
- Promote builders who provide Energy Star® Homes that include high efficiency furnaces and water heaters;
- Train builder construction staff and subcontractors in advanced building science concepts to increase energy efficiency through improved design and installation practices;
- Transform the market and improve construction practices in the UNS Gas service territory;
- Reduce peak demand and overall energy consumption in new homes;
- Stimulate construction of new homes that are inspected and tested to assure energy performance;
- Assist builder sales agents with promoting and selling energy-efficient homes; and
- Increase homebuyer awareness and understanding of energy-efficient building practices and the benefits of purchasing an energy efficient home.

The goal for 2014 was 90 homes completed.

**c. Level of Participation**

In 2014, 151 homes were completed.

**d. Costs Incurred**

Costs incurred during this reporting period are listed below:

DSM Program	Rebates & Incentives	Training & Technical Assistance	Consumer Education	Program Implementation	Program Marketing	Planning & Admin	Measurement, Evaluation & Research	Program Total Cost
Residential New Construction	\$10,400	\$18	\$1,345	\$26,973	\$20	\$5,368	\$5,673	\$49,797

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**e. Evaluation and Monitoring Activities and Results**

Navigant Consulting performed an evaluation of the ESH Program for calendar year 2014. The evaluation resulted in a realization rate of 100% for therm savings. The report attached as Appendix 1.

**f. kW, kWh, and Therm Savings**

No. of Homes	Therm savings	Lifetime Therms
151	31,136	934,069

As a component of the Joint Utility Program, UNS Gas will only claim the therm savings and the electric service provider will claim the electric savings for all participating homes.

**g. Environmental Benefits realized**

Realized environmental benefits are reflected in Table 5 above.

**h. Incremental benefits and net benefits**

Incremental benefits and net benefits are reflected in Tables 2, 3 and 4 above.

**i. Performance-incentive calculations for the previous year**

Performance-incentive calculations are reflected in Table 1 above.

**j. Problems Encountered and Proposed Solutions**

The large geographic territory served by UNS Gas makes builder interaction difficult. UNS Gas is refining area assignments in an effort to increase interaction with builders and increase participation.

**k. Program Modifications**

No program modifications occurred during this reporting period.

**l. Programs or Measures Terminated**

No measures were terminated during this reporting period. UNS Gas does not plan to terminate the ESH Program or any Program measures in 2015.

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**II. EXISTING HOMES RETROFIT AND RESIDENTIAL ENERGY ASSESSMENT PROGRAM**

**a. Description**

The UNS Gas Existing Homes Retrofit Program (“Existing Home Program”) was suspended in 2014 and for the foreseeable future due to the lack of participation and low measure cost-effectiveness. UNS Gas did allow those applications received prior to notification that the Existing Home Program was discontinued to be counted during the first quarter of 2014.

**b. Program Goal, Objectives and Savings Targets**

There were no goals, objectives and savings targets for 2014.

**c. Level of Participation**

Participation levels during the reporting period are listed below:

<b>Participation Levels</b>	
High Efficiency Furnace	0
Duct Test & Repair	8
Air Sealing and/or Attic Insulation	6
Audits (including direct install measures)	0

**d. Costs Incurred**

Costs incurred during this reporting period are listed below:

DSM Program	Rebates & Incentives	Training & Technical Assistance	Consumer Education	Program Implementation	Program Marketing	Planning & Admin	Measurement, Evaluation & Research	Program Total Cost
Existing Home Program	\$5,338	\$4	\$0	\$2,764	\$0	\$1,049	\$581	\$9,736

**e. Evaluation and Monitoring Activities and Results**

Navigant Consulting performed an evaluation of this Existing Home Program for calendar year 2014. The evaluation resulted in a realization rate of 100% for therm savings. The report is attached in Appendix 1.

**f. kW, kWh, and Therm Savings**

Measure	Units	Therm savings	Lifetime Therms
Air Sealing	6	515	10,296
Duct Test & Repair	8	1,128	11,279
Gas Furnaces	0	0	0
<b>Total</b>	<b>14</b>	<b>1,643</b>	<b>21,576</b>

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**g. Environmental Benefits realized**

Realized environmental benefits are reflected in Table 5 above.

**h. Incremental benefits and net benefits**

Incremental benefits and net benefits are reflected in Tables 2, 3 and 4 above.

**i. Performance-incentive calculations for the previous year**

Performance-incentive calculations are reflected in Table 1 above.

**j. Problems Encountered and Proposed Solutions**

No problems were encountered during this reporting period.

**k. Program Modifications**

No program modifications were made during this reporting period.

**l. Programs or Measures Terminated**

UNS Gas suspended the Program in 2014 and will not offer the Existing Home Program again for the foreseeable future.

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**IV. C&I FACILITIES GAS EFFICIENCY PROGRAM**

**a. Description**

The Commercial and Industrial ("C&I") Facilities Gas Efficiency Program ("C&I Program") is designed to promote the installation of high-efficiency, gas-fueled equipment and systems at existing commercial and industrial facilities within the UNS Gas service area.

**b. Program Goals, Objectives and Savings Targets**

The C&I Program objectives are to:

- Help commercial and industrial customers reduce and manage their energy costs;
- Reduce greenhouse gas emissions; and
- Lower overall rates and energy costs compared to other resource options.

The savings goal for 2014 was 50,000 therms.

**c. Level of Participation**

2 customers participated in the C&I Program during this reporting period.

**d. Costs Incurred**

Costs incurred during this reporting period are listed below:

DSM Program	Rebates & Incentives	Training & Technical Assistance	Consumer Education	Program Implementation	Program Marketing	Planning & Admin	Measurement, Evaluation & Research	Program Total Cost
C&I Facilities Gas Efficiency	\$ 32,500	\$ 79	\$ 129	\$ 21,141	\$ 100	\$ 7,425	\$ 7,511	\$ 68,884

**e. Evaluation and Monitoring Activities and Results**

Navigant Consulting performed an evaluation of this C&I Program for calendar year 2014. The evaluation resulted in a realization rate of 100% for therm savings. The report is attached in [Appendix 1](#).

**f. kW, kWh, and Therm Savings**

Measure	No. Installed	Therm savings	Lifetime Therms
High-Efficiency Boilers	11	29,476	589,528
High-Efficiency Furnaces	0	0	0
High-Efficiency Water Heaters	0	0	0
<b>Total</b>	<b>11</b>	<b>29,476</b>	<b>589,528</b>

**g. Environmental Benefits realized**

Realized environmental benefits are reflected in Table 5 above.

**h. Incremental benefits and net benefits**

Incremental benefits and net benefits are reflected in Tables 2, 3 and 4 above.

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**i. Performance-incentive calculations for the previous year**

Performance-incentive calculations are reflected in Table 1 above.

**j. Problems Encountered and Proposed Solutions**

Participation and therm savings have decreased substantially since 2011. No new EE measures have been approved by the Commission for this C&I Program since 2008. Only four measures have been approved and custom projects are not allowed. Although the Commission ordered UNSG to refrain from filing a new Implementation Plan until further order of the Commission, in order to increase participation levels, UNSG plans to request approval for new program measures.

**k. Program Modifications**

No modifications were made to the C&I Program during this reporting period.

**l. Programs or Measures Terminated**

No measures were terminated during this reporting period. UNS Gas does not plan to terminate this C&I Program or any program measures in 2015.

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**APPENDIX 1**  
**TEP AND UES DEMAND SIDE MANAGEMENT PY2014 Q1-Q4 MEASUREMENT,**  
**EVALUATION, AND RESEARCH REPORT, PREPARED BY NAVIGANT CONSULTING INC.**  
***(PROVIDED DIRECTLY TO COMMISSION STAFF)***



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**APPENDIX 2**

**ARIZONA GOVERNOR'S OFFICE OF ENERGY POLICY TRAINING, MONITORING AND  
EVALUATION REPORT FISCAL YEAR 2014 ANNUAL REPORT, JANUARY 2015**

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**ARIZONA GOVERNOR'S OFFICE of ENERGY POLICY**  
**TRAINING, MONITORING AND EVALUATION REPORT**  
**FISCAL YEAR 2014 ANNUAL REPORT**  
**January 2015**  
**UNS ENERGY CORPORATION**

**Subsidiary – UNS Gas**

**Re: Governor's Office of Energy Policy**

**Training and Monitoring for Weatherization**

Training for the Weatherization Assistance Program (WAP) is done through a variety of methods; the two biggest ones are one-on-one field training when an issue is noted in the field and class room/lab training. The one-on-one field training is done by the state monitors when they are out in the field looking at work in progress and monitoring jobs that are completed. When a monitor sees something that is not to WAP standards it is noted and brought to the agencies' attention. If training is required it is done right then, in the field where it is best, as it is hands-on training.

The class room/lab training is provided by the Southwest Building Science Training Center (Training Center), operated by the Foundation for Senior Living Home Improvement (FSL). The state's weatherization program has a long history working with the training center in developing training curriculum and training weatherization workers. The main stay of WAP training from the training center is WAP boot camp and Success with Weatherization (Critical Details), which is required by all WAP field workers. The Boot Camp is a five-day training that covers the basics of building science, pressure diagnostics, health and safety and residential energy auditing.

The Success with Weatherization training was developed through a two-year grant for quality control in weatherization by the Training Center and Advance Energy. The course focuses on critical details of the work being performed and teaches the steps necessary to complete the work, correctly every time. The training material and detail sheets that are taught in the class are available online to the students once they completed the course. This is the first year that Success with Weatherization has been incorporated into the program. The state mandated that at least one field personnel and one member of management must attend the course from each agency.

The training center also offers courses in Lead RRP, OSHA 10 and OSHA 30 Certifications, WAP administration and many more, which some are required by the weatherization program but other facilities can provide the training. The two previously mentioned courses above can only be taken at the Training Center. A complete list of training courses they offer can be found at:

<http://www.swbstc.org/trainings/>

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The Training Center, in partnership with the Building Performance Institute, Inc. (BPI), provides nationally recognized building science certifications to Arizona's weatherization agencies. All agencies have BPI Certified staff members or contractors that are BPI certified.

Details on BPI  
<http://www.bpi.org/>

***Peer-to-Peer Fiscal and Technical Procedures***

The Arizona WAP has a peer-to-peer working group that allows the fiscal and technical staff from the agencies and the Governor's Office of Energy Policy (OEP) to meet and discuss issues that arise in the program. Agencies are able to share solutions to common problems and other information. These peer-to-peer meetings occur every few months and have been a great arena to discuss any changes or improvement to the program.

***Agency Personnel Performance Reviews***

A review and monitoring process to evaluate the competency of agency personnel performing the various requirements of the weatherization program was developed for the statewide weatherization assistance program. Based on this process, additional one-on-one training and technical assistance is provided on an as-needed basis.

***Monitoring***

The Arizona WAP has implemented a monitoring program that focuses on determining areas that need improvement and utilizes the monitoring process to implement needed changes. The areas covered include: auditing, diagnostics, testing and measures completed and program operations. This process begins with the review of 100% of the technical reports for auditing, diagnostics, testing and work completed each month. These reports can highlight instances where opportunities were missed or program requirements were not followed. When there are concerns with some element of the report, a site visit is conducted to address the concerns. At the job site, the diagnostic, testing and work are reviewed to determine if any improvements can be made. A minimum of 5% of the job sites will be visited, with each agency being monitored at least once during the twelve-month period. Based on the site visit results, follow-up training and technical assistance is provided to the local agency. For agencies where the technical reports do not show concerns, the site visit consists of monitoring a number of randomly selected homes and reviewing the diagnostics, testing and work completed. These efforts, combined with the training and competence programs, have a goal of ensuring that the program is providing the clients with a high return on Utility's investments, while maintaining or improving the customers' health and safety.

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**Utility Bill Analysis**

This report includes jobs completed across Arizona using data provided by APS, TEP, Unisource Gas and Electric and Southwest Gas utility data. This analysis is ongoing, new data will be updated to these values on a quarterly basis.

Provided are Savings to Investment Ratios (SIR) for total investment from all funding spent (diagnostics, energy measures and health and safety measures) and for energy related measure only (diagnostics and energy measures).

***Assumptions***

Present value is based on 17.5 years measured life, discount rate of 3% and utility cost escalation rate of 3%.

***Results Summary***

The combined SIR of all jobs reviewed to date for funds (LIHEAP, DOE, Utilities, CDBG, URRD, SERC) spent on diagnostics, energy measures and health and safety measures is currently at a 1 to 1. Health and safety represented 19% of expenditures.

The combined SIR of all jobs reviewed to date for funds spent on energy measures and diagnostics was 1.22

The average saving per home reviewed was 2270 kWh and 33 therms of natural gas (gas therms average includes all electric homes).

**From:** donotreply-ArizonaCorporationCommission@azcc.gov  
**Sent:** Wednesday, April 01, 2015 9:24 AM  
**To:** Gellman, Jason  
**Subject:** Commission Promotes Gas Leak Safety and Prevention

## ARIZONA CORPORATION COMMISSION

FOR IMMEDIATE RELEASE: April 1, 2015

MEDIA CONTACT: Rebecca Wilder (602) 542-0844

### **Commission Promotes Gas Leak Safety and Prevention**

*April is Pipeline Safety and Safe Digging Month*

**PHOENIX, AZ --** The Arizona Corporation Commission is dedicating the month of April to encourage the public to report suspected gas leaks and help to prevent them as part of Pipeline Safety Awareness Month, and in coordination with Safe Digging month as part of the “Call 811” campaign.

We’ve all heard of incidents of gas leaks leading to injuries and even death, so the Commission’s Pipeline Safety Division encourages the public to be aware of safe digging and gas pipeline safety practices. Even if you are not a gas customer, recognizing the smell, sounds and visual indicators of a gas leak is critically important to prevent a gas pipeline incident.

A rotten egg odor, hissing noises, dirt blowing up in the air and bubbles rising in a puddle or a place you would not likely find them (such as a toilet) are all signs of a natural gas leak, especially in an area with a recent digging project, construction or an obvious sign that a gas pipeline has been damaged. Unfortunately, in many gas-related incidents, someone smelled gas but *failed to notify anyone*. Even if you smell gas while taking a walk, going shopping or running errands, the Commission urges you to contact your local gas company or call to 911.

In an effort to keep the number of pipeline safety incidents in Arizona low, the Commission’s Pipeline Safety Division encourages the public to:

- **Evacuate and call the local gas utility and/or 911** from a safe location immediately if you smell, see, or hear escaping gas;
- Stay away from the area once an evacuation has taken place until authorities say it is safe to return;
- Maintain the natural gas piping that you own. If you have a gas line that goes to a remote location such as a pool heater, spa heater, barbeque grill, additional house or apartment, gas lights, etc., have them periodically checked for leaks and ensure they are protected from corrosion. Make any repairs promptly;
- “Call Before you Dig.” Call **811** before any digging project first—even if you are planting a tree—to find out the locations of underground utilities.

The Commission’s Pipeline Safety Division enforces Federal and State pipeline safety regulations and provides information and guidance to pipeline operators to ensure safe operation of pipeline facilities. The Pipeline Safety Section has a long standing reputation of being one of the most proactive pipeline safety programs in the nation. Obtaining near perfect scores on their last safety audit, the Division is dedicated to and successful in keeping the number of pipeline safety incidents in Arizona low.

For further information and education on pipeline safety visit the Safety Division website at:  
[http://www.azcc.gov/divisions/Safety/public\\_safety.asp](http://www.azcc.gov/divisions/Safety/public_safety.asp).

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